

APPENDIX F
W912DR-04-R-0082
GENERAL OUTLINE FOR LDMP

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1. Development Plan

a. The development plan will address all aspects of the development effort at each of the Group A installations, with a specific focus on long-term master planning and environmental stewardship. Renovation and/or construction of lodging units to an acceptable quality level is expected to take place as soon as possible during the Initial Development Period. Further renovation and/or construction of lodging units, and/or construction of ancillary facilities (if approved), is expected to take place throughout the life of the project.

b. At a minimum, the development plan will specify the number, type, and size of lodging units that are to be renovated, rehabilitated, or newly constructed at each installation included in the Group A project. The plan will indicate the life-cycle (50-year) schedule under which initial and subsequent renovation and/or new construction will occur. In the development plan, the developer will be expected to provide proposed land-use maps, model floor plans, and exterior architectural sketch renderings of the proposed lodging facilities. The plan will specify appropriate performance standards and incentives to ensure sufficient attention to design, construction, and finish standards and details to achieve planned completion schedules and budgets.

c. The Army expects the developer to employ its expertise to craft a plan that maximizes use of best commercial business practices and takes full advantage of assets and revenues for the benefit of Soldiers and their families. As a point of reference, current Army Lodging standards for both services and facilities can be found at http://www.armymwr.org/home/Show_file.asp?fileID=151. It should be noted that going forward these standards are not considered as requirements for proposals under this solicitation. Rather, they are provided merely for informational purposes. Again, offerors are expected to take full advantage of all opportunities available to provide the best possible facilities and services.

d. Detailed information on existing inventory and market data for each installation can be found on the PAL website, <http://www.pal.army.mil/assessments.asp>. The Installation Lodging Condition Assessments located at this web site are for informational purposes only and are not intended to be construed as the Army's position as to what is to be accomplished at each installation. As stated above the Army is looking for the awardee to employ its expertise to craft a plan that employs best commercial business practices and takes full advantage of the assets and revenues for the benefit of soldiers and their families. Additionally, Appendix A provides an overview for each installation in the Group A project.

e. Life-cycle renovation or replacement of the inventory will take place during the course of the project on a schedule to be agreed upon by the Army and the awardee. In the future, the government may contract with a third party to conduct periodic market analyses aimed at determining necessary adjustments to on-post transient lodging

needs. The potential for adjustments to the inventories, and subsequent actions / procedures, will be addressed in the LDMP.

f. To further the Army's goals, The Army may authorize the awardee to construct and/or operate one or more ancillary supporting facilities. Such facilities/activities may include but are not limited to: food and beverage operations, conference/meeting support functions, limited retail space, tot lots, hotel swimming pools, limited fitness facilities, kennels/pet runs. These and other similar facilities would be intended primarily to support Army transient lodging and complement business operations in the local community. However, such facilities must not be in direct competition with the activities of Army Morale, Welfare and Recreation (MWR) organizations, the Army and Air Force Exchange Service (AAFES), and the Defense Commissary Agency (DeCA) without the approval of the Headquarters of these organizations.

g. The awardee must be aware that private competition on a military installation with AAFES, DeCA and MWR is strictly prohibited per Sec. 2804, pages 346-347, of the National Defense Authorization Act for Fiscal Year 2000, Conference Report to Accompany S. 1059, unless approved by the Office of Assistant Secretary of the Army for Manpower and Reserve Affairs (OASA (M&RA)).

h. The awardee is responsible for working with the Commanders of AAFES, DeCA, and / or US Army Community and Family Support Center (CFSC) on specified types of ancillary support projects. The PAL office will assist the awardee with this coordination. The awardee will submit command approved final proposals regarding construction and maintenance of revenue producing and non-revenue producing endeavors related to these programs, through the commander(s) of AAFES, DeCA and / or CFSC to the PAL office. The PAL office will assist in ensuring appropriate coordination approval within the Army Secretariat.

i. The Army will prepare an Environmental Baseline Survey (EBS) and National Environmental Policy Act (NEPA) documentation in support of the PAL program for the Group A installations during the LDMP development. The selected awardee will be provided draft and final EBS and NEPA documents as they are prepared. These documents will be used in the preparation of the LDMP. The Army will also perform and document all necessary coordination/consultations pursuant to Section 106 of the National Historic Preservation Act and Section 7 of the Endangered Species Act and document these efforts for inclusion in the LDMP. The cost for performing additional site characterization or preparing additional environmental documentation will be the responsibility of the selected awardee. The Army will disclose the information that it has collected on existing environmental hazards through the NEPA and EBS documents and the preparation of the Finding of Suitability to Transfer (FOST) and Finding of Suitability to Lease (FOSL). Upon implementation of the LDMP, the awardee will assume agreed upon oversight and management responsibilities for mitigation and remediation of any identified environmental hazards (e.g. asbestos, lead, Paris green, chlordane, PCBs, etc.) using project funds.

j. The LDMP will include a subcontracting plan describing the awardee's standards for selecting subcontractors to work on the project, and will provide details about its goals for subcontracting with small businesses. Awardee will be expected to outline plans and schedules for conducting small business outreach events.

k. The LDMP will specify schedules for the performance of all development activities related to the project throughout the term of the lease.

2. Financial Plan and Transactional Instruments

The financial plan and transactional instruments will describe the awardee's plan for financing projected short and long-term expenses associated with the project, and the transactional instruments required to execute the project. At a minimum, this plan will include:

1. An integrated financial pro-forma analysis covering expected income and expenses over the life of the project to ensure quality long-term operation, maintenance, and property management for the lodging operation. The pro forma analysis will incorporate development, sustainment, and operational elements.
2. A detailed statement of sources and uses of funds and cash flows.
3. Drafts of legal documents describing the relationship between the Army and the awardee, and the rights and obligations of each party for implementing the project (e.g., lease, management and incentive agreements, and other appropriate instruments).
4. A transition budget specifying items expensible to the project and the timeline for the transition to project implementation.

3. Operations, Maintenance, and Property Management Plan

The operations, maintenance, and property management plan will describe the awardee's concept and approach to operating, maintaining, and managing lodging at the Group A installations. At a minimum, the plan will specify appropriate performance objectives and incentives designed to ensure that the lodging operations, including any historic buildings if applicable, are effectively operated, managed and maintained at high levels of quality and repair. Compliance with Section 106 of the National Historic Preservation Act and Section 7 of the Endangered Species Act is required. Compliance with applicable local, state, and Federal environmental regulations is required. The operations, maintenance, and property management plan should also describe the awardee's strategy for making capital improvements to the lodging facilities throughout the life of the project.

4. Asset Management Plan

The Asset Management Plan will describe the awardee's concept and approach to the long-term sustainment of the portfolio. It will detail the administration of the asset management program including but not limited to financial reporting, annual capital expenditure requests and budgets, and long-term reinvestment goals with projected milestones. The plan will also detail the terms of project administration and execution fees as well as development and incentive fees. The plan should include a recommendation as to how the Army will communicate to and with the portfolio asset manager.